

81-82

1981-82 PROGRESS REPORT

STATE OF ARIZONA

ARIZONA DEPARTMENT OF TRANSPORTATION

AERONAUTICS DIVISION

REVISED AUGUST 19, 1982

## HISTORY

The history of the Arizona Department of Transportation, Aeronautics Division, begins with the creation of the Arizona Aviation Authority in March of 1950. The Authority originally consisted of an unpaid board of five members serving three-year terms. The primary purpose of the board was to advise the Governor and the legislature on aviation matters.

In May of 1955, a part-time director was appointed. Later that same year, the position became full-time. The Authority started monthly publication of a newsletter in 1956 and an airmarker program to aid in cross-country navigation in 1958. By 1959, the Authority had begun assisting communities in developing airfields. In 1962, the legislature created the Arizona Department of Aeronautics and appropriated funds to assist in construction of a Grand Canyon National Park Airport. Construction design began in 1963, and the airport officially opened two years later.

The old Department of Aeronautics was controlled by a seven-member Aeronautics Board. The Board members were appointed to five-year terms by the Governor and the Senate. The primary function of the Board was to budget funds for airport development.

In 1974, the Departments of Aeronautics, Highways and Motor Vehicles were combined to form the present-day Arizona Department of Transportation.

## AUTHORITY AND RESPONSIBILITY

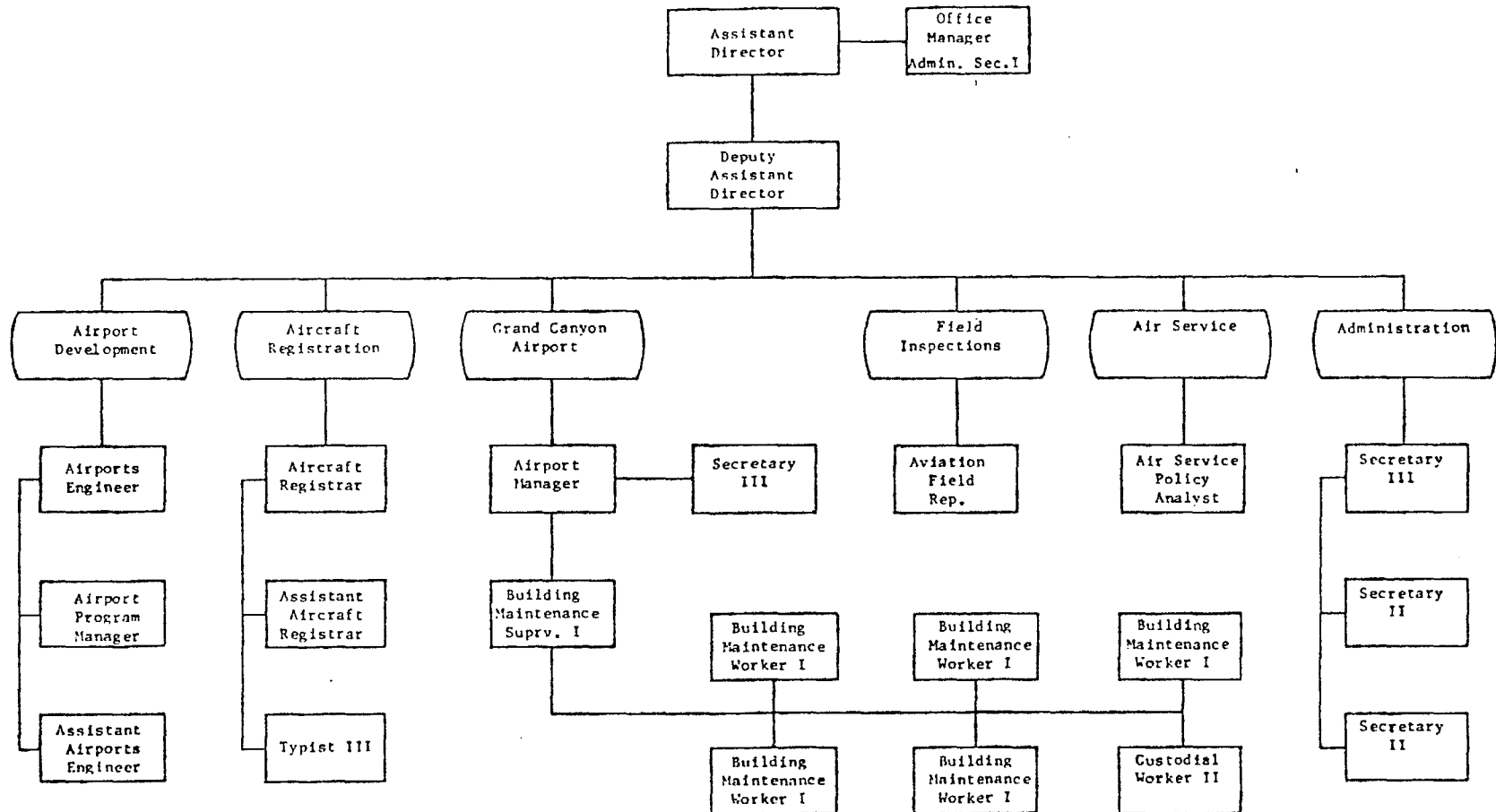
The Department is composed of five divisions; Aeronautics, Highways, Transportation Planning, Motor Vehicles and Administrative Services. The Aeronautics Division is charged by state law to: encourage and advance the safe and orderly development of aviation in the state; assemble and distribute to the public information relating to aviation; represent the state on issues of routing and rate schedules concerning commercial airline traffic; accept federal and other monies for airport development or air navigation facilities; operate the Grand Canyon National Park Airport, certificate aircraft dealers; register non-airline aircraft within the state, and make recommendations on legislative and policy issues. For statutory references, see Arizona Revised Statutes, Title 28, Chapter 12.

The Division has recently been successful in obtaining legislation to allow for the leasing of the Grand Canyon Airport to a management company which specializes in such operations. We have also obtained new legislation to allow the division to deregulate the commercial flight operators and flying clubs. In the past three years, the division has recommended changes in the aircraft registration statutes to clarify the language and strengthen the enforcement. Additionally, a law was passed in 1979 to administratively earmark aviation gas at the point of entry into the state in order to collect previously unidentified aviation gas taxes. This statutory change increased aviation gas tax revenue by approximately \$50,000 per year.

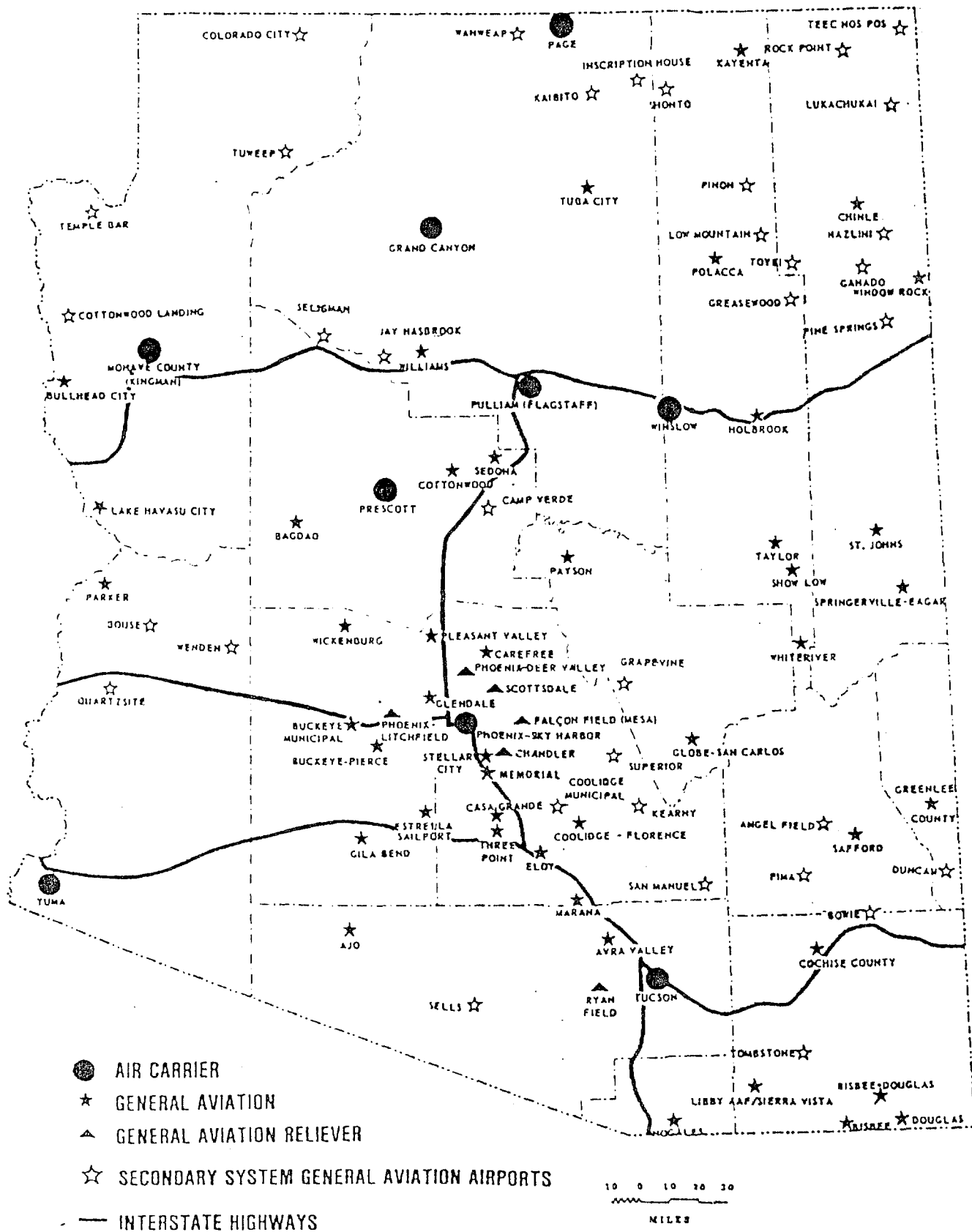
ARIZONA DEPARTMENT OF TRANSPORTATION

AERONAUTICS DIVISION

ORGANIZATIONAL CHART



# ARIZONA'S AIRPORT SYSTEM



## AIRPORT DEVELOPMENT

The Airport Development section is responsible for the administration of the statewide 5-year Airport Development Program. The administration of this program involves:

- 1) Systematic planning coordination to insure logical and equitable growth for all public-owned and public-use airport facilities within the state.
- 2) Funding aid and assistance to airport sponsors.
- 3) Technical support for airports and airport projects.
- 4) Grand Canyon Airport construction projects.

### Planning

The planning process for the 5-Year Airport Development Program focuses on an extensive evaluation of needs, directed toward developing an improvements program consistent with the goals established in the recently published State Airport System Plan. Needs are then related to anticipated funds to arrive at a financially balanced program that makes the best use of available aviation dollars.

### Funding

Airport construction and development in Arizona is accomplished through a cooperative effort involving three levels of government - federal, state and local. Each of these governmental units has shared in the financing of airport development projects in the state.

The federal assistance for airports program expired in 1980 and has been renewed through September 1981. However, during the ten years the program was in effect, the State airports received \$84,054,000. During the last three years, more than fifty percent of the ten-year total was obtained. This is a measure of the growth of aviation in Arizona and the success of the division in obtaining discretionary funding from the FAA. This is illustrated in Figure #1.

If present revenue sources remain the same, only a small growth in state aviation revenues can be anticipated over the next five years. Unless new sources are found, the projected economic outlook for the state's airports is dire. A recently completed study indicates a short fall in revenues of approximately \$62,000,000 over the next ten years, not including the needs for the two major airports of Sky Harbor International and Tucson International. The estimated needs for these two airports is approximately 100 million dollars for the ten year period.

At the local level, funds for airport development may come from several sources. General fund contributions, revenue on general obligation bonds, user taxes and revenues from airport leases and concessions are among the primary sources of funding. However, in terms of airport needs, the local communities will be unable to keep pace without increased Federal or State assistance. Under the current program, the local sponsor provides a matching share of just under five percent on federal participating projects and ten percent on state/local projects.

The number of projects being administered has increased dramatically. From FY 1973 to FY 1978, the average number of projects completed each year was eleven. By 1980, this average increased to 39 per year, an increase of 250%. Fiscal year 1982 brought 24 completed projects; fiscal year 1983 forecasts indicate over 50 projects will be completed.

Additionally, state expenditure amounts have increased as Figure #3 indicates. From FY 1973 to FY 1977, an overall increase averages 4.8%. In the period of FY 1978 to FY 1981, the average increased 800%. The FY 1982 state expenditures for closed projects fell just short of \$2 million. FY 1983 forecasts indicate closed project expenditures of over \$5 million.

#### Project Narrative

All airport construction projects funded through the 5-Year Airport Development Program are subjected to constant technical review and monitoring from design through construction. During the design phase, the Airport Development Group assists sponsors in locating and interpreting design criteria. Also, engineering agreements, plans, specifications and contract documents are reviewed for compliance with state grant requirements.

As the project progresses to the construction phase, the Airport Development section reviews bid tabulations, performs field inspections of work during construction, reviews field and laboratory procedures and test results and analyzes and approves change orders. At the conclusion of the project, a final inspection is performed. As-built plans and certified final quantities are required before final payment is made. Projects are audited as needed to ensure compliance with grant and contractual requirements.

The Airport Development Group also provides technical support for special aeronautical studies and the development of conceptual airport plans. Local sponsors may, at any time, receive technical comment in the development of their airports.

#### Technical Assistance

Extensive technical assistance is provided to local airport sponsors with the objective of improving construction quality, decreasing construction costs, and simplifying administrative procedures through all stages of the project.

Construction quality is upgraded by the review of plans and specifications by the group's engineering section, improved requirements for field and laboratory testing of materials and by the initiation of a record sampling program through the cooperation of the Highways Division.

Construction costs are being decreased by encouraging the use of locally available mineral materials, rather than using nationally developed FAA specifications which may require special crushing or extensive transportation. Construction of experimental pavements using less expensive binders such as sulfur is also being encouraged. The sponsor's administrative burden has been reduced by providing assistance through the airports program section in fulfilling both State and Federal requirements. Where possible, forms already



required by the Federal Government are used for state needs, reducing duplication of effort. Where state forms must be used, they have been developed with the objective of also being able to use them as worksheets. A minimum of new regulations have been promulgated, however, existing statutes and regulations have been vigorously enforced.

#### Grand Canyon Airport Construction

The Airport Development Group is also in charge of engineering and administering construction projects at the state-owned Grand Canyon Airport. All funding, payment and project authorizations are processed by the Section.

All engineering phases of construction work undertaken at the Grand Canyon Airport are either performed directly by this office, as in design and contract administration, or coordinated with personnel directly on site, as in progress inspections, utilizing assistance from the Highways Division. Airport inventory is also administered by this group.

ADOT - AERONAUTICS DIVISION  
AIRPORT DEVELOPMENT AID PROGRAM  
(FEDERAL AID)

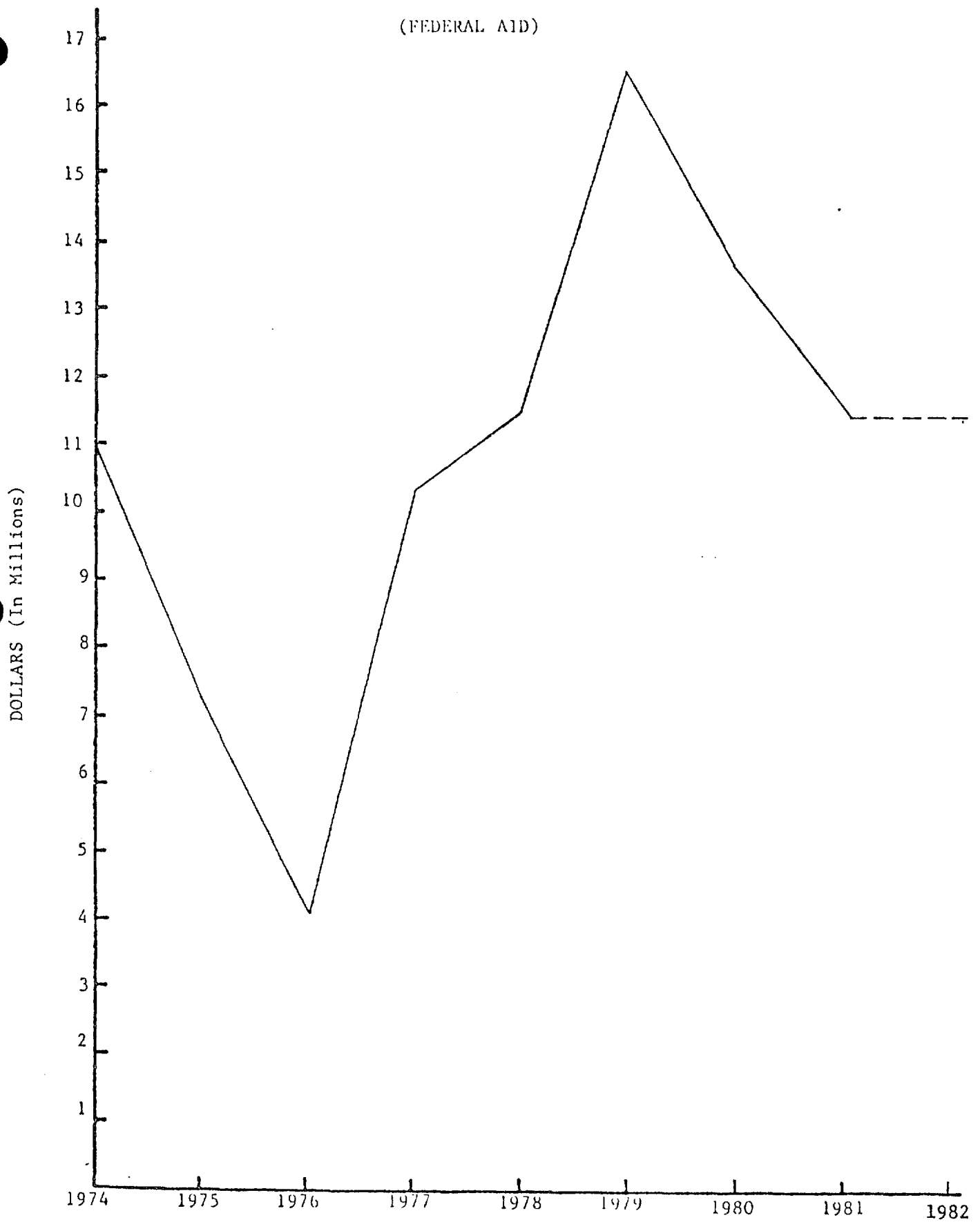


FIGURE #1

ADOT - AERONAUTICS DIVISION  
AIRPORT PROJECT ACTIVITY

Number of Proj's Completed

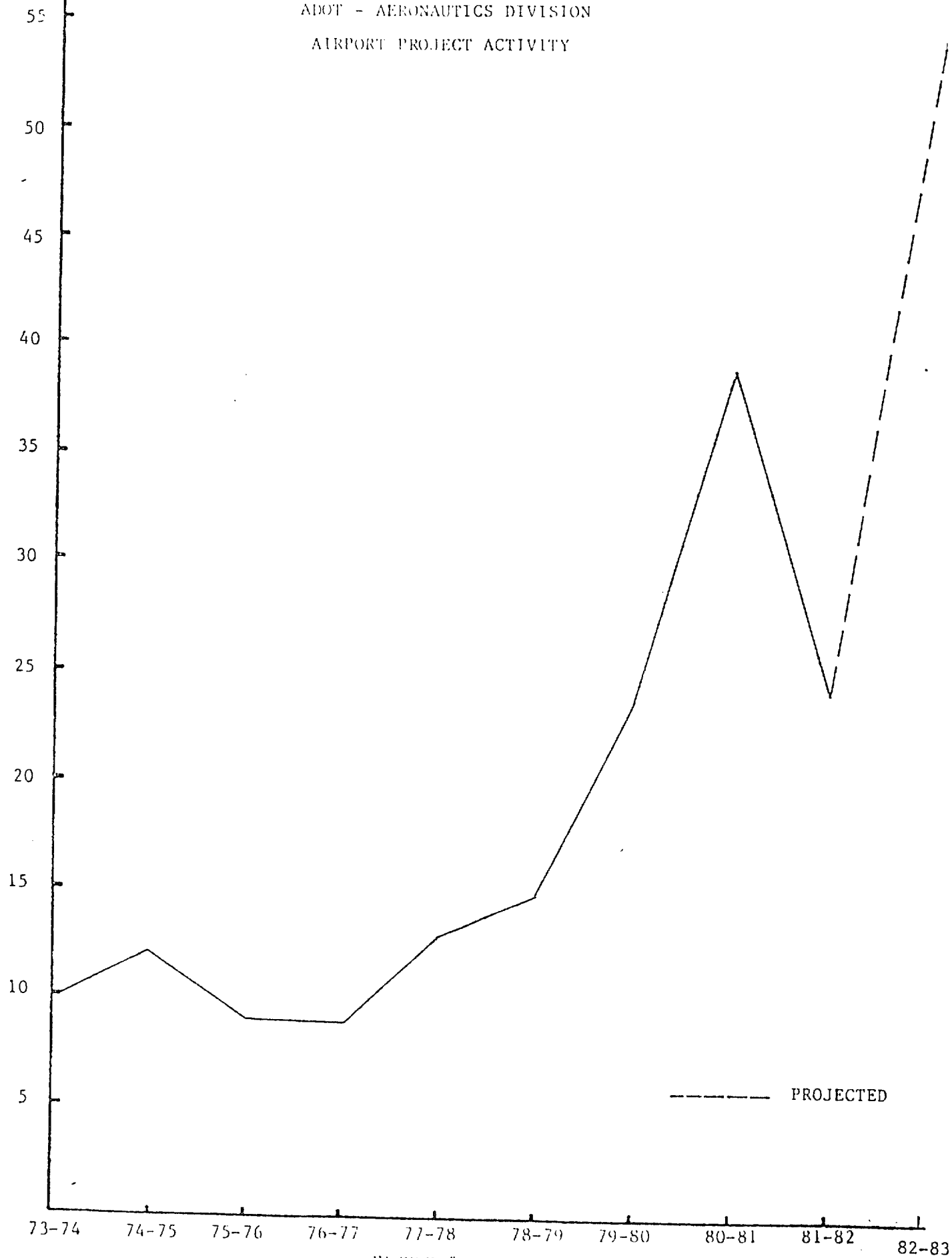
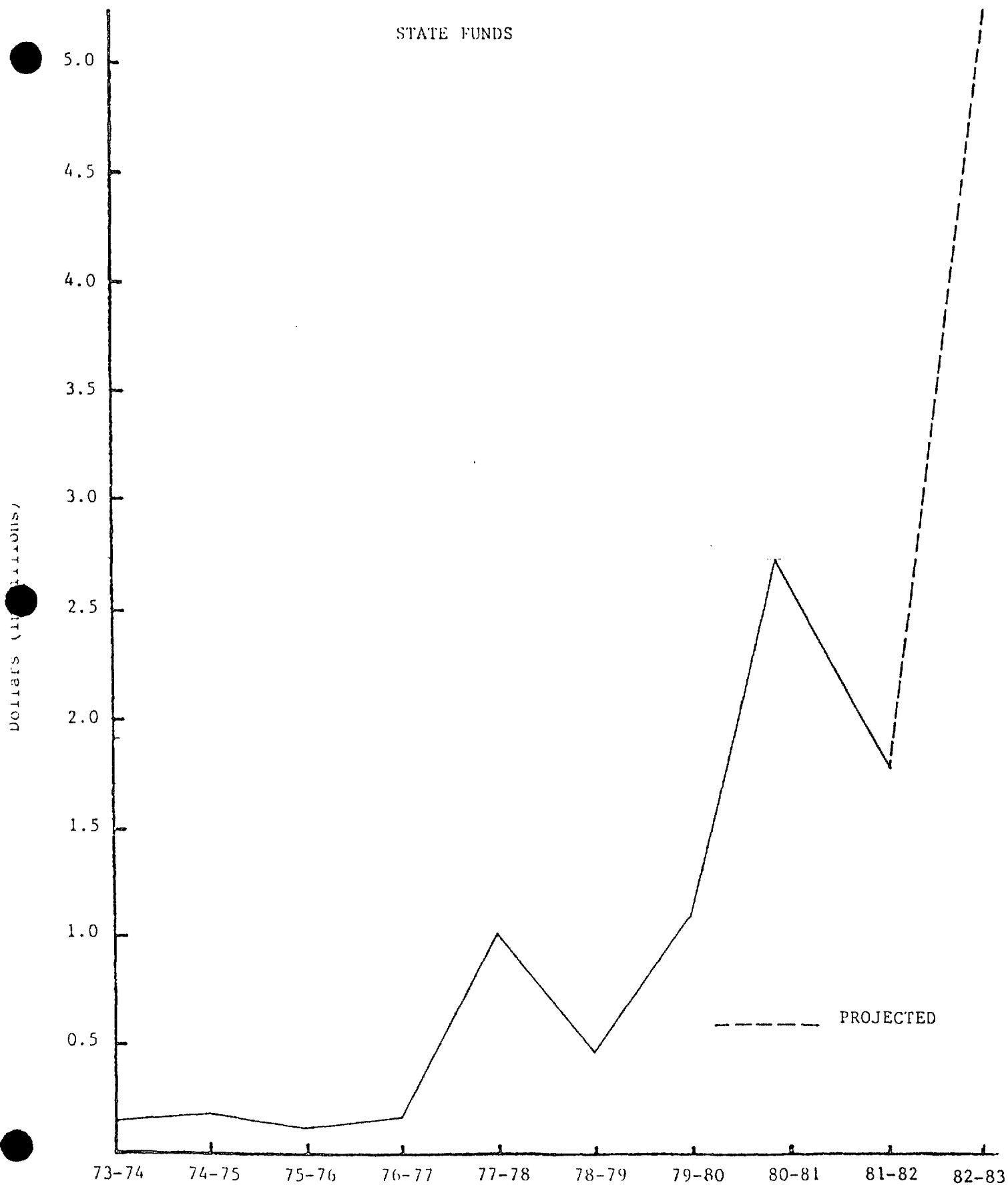


FIGURE #2

STATEWIDE AIRPORT PROJECTS

STATE FUNDS



Fiscal Year

FIGURE # 3

## CLOSED PROJECTS

## 1981-82 AIRPORT DEVELOPMENT

<u>DATE</u>	<u>AIRPORT</u>	<u>AFE</u>	<u>DESCRIPTION</u>	<u>STATE</u>	<u>LOCAL</u>	<u>FEDERAL</u>	<u>TOTAL</u>
07-81	GLOBE-SAN CARLOS	01414	TXY,EXT, MIRL, PARKING APRON	18,830.70	18,830.00	383,607.08	421,267.78
07-81	PAYSON	01533	PARKING APRON	60,000.00	9,935.73	0.00	69,935.73
07-81	SAFFORD	01432	PARKING APRON	108,000.00	20,673.57	0.00	128,673.57
08-81	TAYLOR	01712	SEAL COAT R/W, P/A, ALP	45,000.00	5,000.00	0.00	50,000.00
09-81	CASP	01991	CONTINUOUS AIRPORT SYSTEMS PLAN	20,717.00	0.00	62,133.00	82,850.00
09-81	PHOENIX-LITCHFIELD	01551	ROTATING BEACON	13,500.00	24,261.00	0.00	37,761.00
09-81	SHOW LOW	01471	PARKING APRON	113,337.63	12,593.07	0.00	125,930.70
10-81	GREENLEE COUNTY	01242	PARKING APRON, G&D TAXIWAY	137,119.47	15,235.50	0.00	152,354.97
11-81	DOUGLAS	01362	ALP & RUNWAY SURFACE	45,000.00	5,000.00	0.00	50,000.00
12-81	APACHE JUNCTION	01022	SITE SELECTION MASTER PLAN	54,000.00	6,000.00	0.00	60,000.00
12-81	PHOENIX-DEER VALLEY	01361	PARKING APRON/TAXIWAY	170,000.00	18,889.00	0.00	188,889.00
12-81	GLENDALE MUNICIPAL	01212	RELOCATE RUNWAY THRESHOLD	22,789.16	2,532.13	0.00	25,321.29
12-81	SPRINGERVILLE-EAGAR	01492	VISUAL APPROACH SLOPE INDICATOR	27,000.00	13,339.50	0.00	40,339.50
03-82	PHOENIX-LITCHFIELD	01372	SEAL COAT RUNWAY 3/21	93,247.00	10,361.00	0.00	103,608.00
04-82	COOLIDGE-FLORENCE	01151	ACCESS ROAD	76,415.27	8,490.58	0.00	84,905.85
04-82	AJO	01012	REHAB TAXIWAY VISUAL APPR SLOPE	54,700.00	13,581.70	0.00	68,281.70
04-82	RYAN	01424	UTILITIES	54,920.48	6,102.28	0.00	61,022.76
04-82	GLENDALE	01211	ENVIRONMENTAL IMPACT ASSMT	4,559.00	4,560.00	92,881.00	102,000.00
05-82	GRAND CANYON	01114	UTILITIES	151,593.50	0.00	167,282.19	318,875.69
05-82	FALCON (MESA)	01191	PARALLEL RUNWAY&RUNWAY EXT ENG	89.190.00	9,910.00	0.00	99,100.00
06-82	CHANDLER MUNICIPAL	01313	FIRE PROTECTION SYSTEM	212,400.00	26,442.20	0.00	238,842.20
06-82	YUMA INTERNATIONAL	02601	SECURITY FENCE	1,843.96	1,843.47	37,564.07	41,251.50
06-82	DOUGLAS	02172	GRADE, DRAIN & SURFACE RUNWAY	180,000.00	41,067.50	0.00	221,067.50
06-82	ELOY	02182	ODALS & DELINEATORS	36,617.42	4,068.60	0.00	40,686.02
				\$1,790,780.59	\$278,716.83	\$743,467.34	2,812,964.76

1.11

## AIRCRAFT REGISTRATION

The aircraft registration section is responsible for collection of an aircraft registration fee and a lieu tax of one percent of the average fair market value. These fees and taxes must be paid annually by the last day in February or within 60 days after entry into the state. Dealer aircraft are exempt from the lieu tax if the aircraft is flown for demonstration flights only. An aircraft which is not airworthy is also exempt if a proper exemption affidavit is filed. The revenues collected are deposited in the state aviation fund and can only be used for construction, development and improvement of publicly owned airports throughout the state.

Aircraft registration has grown at a very rapid rate since 1976. The number of registered aircraft has increased by 64% while collections during this same period have increased 254%. Revenue projects for 1982 indicate over \$2,100,000 will be collected.

Often the only manner in which a tax can be collected is to issue a lien and seizure in accordance with A.R.S. 28-1762. During 1981-82 153 liens were issued and 101 aircraft seized for non-payment of taxes.

This section works closely with all the law enforcement agencies. Registration records are helpful in determining true ownership and historical ownership of an aircraft, as well as its base of operations. This section has developed a reputation for having the most current ownership information available.

The aircraft registration still has been successful in getting banks and lending agencies to rewrite their manuals on aircraft loans to check with the Division to ensure an aircraft is properly registered with the state. This has been very beneficial to the lending agencies, the prospective buyer and the Division.

During the past year, the registration records have been placed on line with the Department's computer center. This allows for better service concerning ownership and registration inquiries by owners, banks and law enforcement agencies.

### Fiscal Year 1981-82

Number of Aircraft Registered - 5,840

Balloons	61
Gliders	108
Antiques	204
Experimentals	113
Helicopters	142
Land planes	5,045
Agricult. planes	114
Army surplus	53

ADOT AERONAUTICS DIVISION

NUMBER OF AIRCRAFT REGISTRATIONS

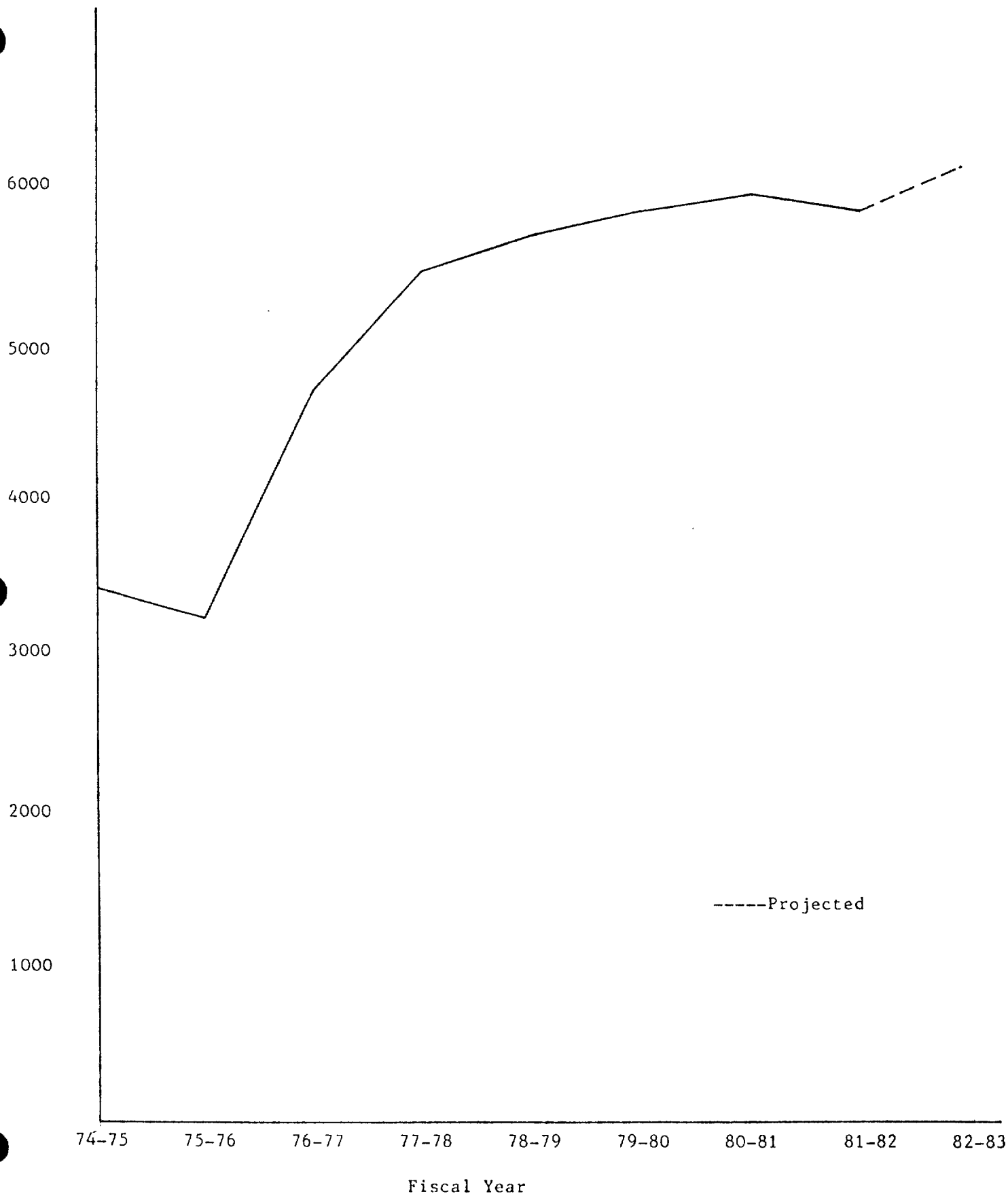


FIGURE #4

# HISTORICAL

## AIRCRAFT REGISTRATION DATA

Fiscal Years	Aircraft Registered*	Aircraft Lieu Tax	Aircraft			Total Revenue from Lieu Tax & Registration Fees
			Registration Fees	Penalty	Interest	
66-67	1,386		5,132			5,132
67-68	1,541		5,037			5,037
68-69	1,795	103,528	8,818			112,346
69-70	2,135	150,058	10,876			160,930
70-71	2,499	160,731	12,248			172,979
71-72	2,945	210,202	15,238			225,440
73-74	3,283	239,821	16,308			256,129
73-74	3,463	424,776	18,641			443,417
74-75	3,487	468,546	19,590			488,136
75-76	3,273	511,330	19,585			530,915
76-77	3,572	708,310	22,216			730,526
77-78	4,501	939,772	23,820			975,688
78-79	4,643	1,266,325	24,972			1,298,297
79-80	4,803	1,608,107	26,156			1,686,943
80-81	4,916	1,851,033	27,560	18,662	8,374	1,905,629
81-82	5,100*	1,907,157	27,275	19,765	9,210	1,963,407

\* Excluding Dealers and stored aircraft - calendar data

\* Estimated

Sources - Aeronautics Division, Arizona Department of Transportation



ADOT - AERONAUTICS DIVISION  
AIRCRAFT REGISTRATION AND LIEU TAX COLLECTED

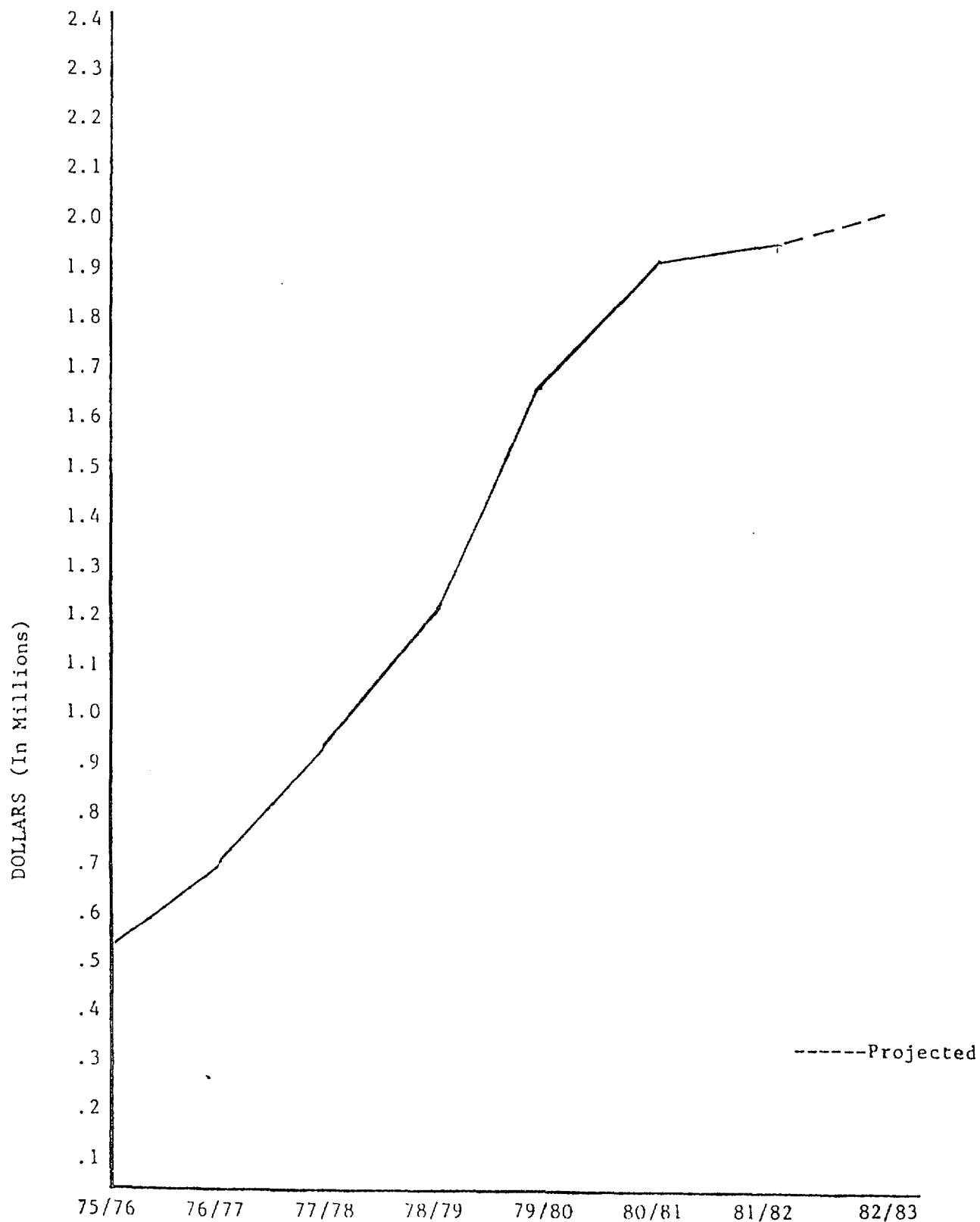


FIGURE #5

## ADMINISTRATION

This section is responsible for the day-to-day operation of the Division. The activities of the Assistant Director and the Deputy Assistant Director are included under this section. The administrative Section is continually involved with a wide spectrum of aviation issues which range from answering inquiries from the public to involvement in national issues of major significance to the aviation community. Activities during the past year have resulted in greater public awareness of aviation, greater airport sponsor involvement with their airport and aviation issues, and more assistance being given to aviation groups. As an example, the Division has been instrumental in assisting airport managers in putting together a statewide association.

On a national level, the Assistant Director has served and is serving on the National Association of State Aviation Officials Board of Directors. This activity has led to involvement in formulation of Airport Development Aid Program funding legislation; as a member of the National Association of State Aviation Officials Air Service Committee, a critical analysis of the Civil Aeronautics Board (CAB) has been developed for re-directing efforts in air service cases. Finally, as chairman of the Community Liason Committee, an emphasis has been placed on the local aviation community of each state in developing communications and awareness of legislative and regulatory changes which might affect them. The administrative section supplies all support staff for the operational sections, including budget preparation, accounting and fiscal controls, management policy and direction. Also provided are all secretarial and clerical assistance, records management and personnel services within the Division.

This section closely monitors the State Aviation Fund revenues and expenditures. The Aviation Fund receives revenue from a variety of sources. Aviation gas is taxed at 18¢ per gallon of which 9¢ is refundable. Non-airline aircraft are required to register with the Division and pay a license tax of 1% of the fair market value of the aircraft. All revenues from the operation of the Grand Canyon Airport are deposited in the aviation fund. Any federal grants given to the Division are also listed as revenue, although technically, can be considered reimbursement for expenses incurred. Excess funds on deposit are invested by the State Treasurer.

The State Aviation Fund expenditures are approved through an annual budget cycle by the State legislature. The legislature approves an administrative budget, a Grand Canyon operating budget and the remaining available funds in a lump sum amount to be used for airport construction and development.

The Transportation Board, through public hearing and a priority rating system, approve individual airport construction projects as published in the Five-Year Construction Program.

This section also has worked closely with the Transportation Planning Division in developing special planning studies, monitoring and analyzing proposed state and federal legislation, reviewing aviation activity forecasts, analyzing CAB proposals, reviewing local development (Land Use) proposals and assisting with the five-year airport improvement program. Publications jointly produced

are as follows:

State Airport System Plan - SASP - A statewide analysis of airports was completed in 1978. The study investigated the requirements to ensure an adequate system to serve the future needs of aviation in Arizona. Since that time, the plan has been continually updated to make it a working document rather than a planning document. Examples of the information updated and contained in the SASP include: activity forecasts of airports throughout the system, aerial photos of the airport and population forecasts of the adjacent communities.

Airport Needs Study - A comprehensive study of the current status needs in terms of maintenance and improvement at all airports in the state was completed. The study showed a requirement for \$305 million at airports during the next ten years and a shortfall over current revenues of approximately \$62 million.

Special Studies - An analysis of the way state and federal airports are funded and basic research on the economic impact of aviation on the Arizona economy have been completed. Copies of any publication may be obtained by writing to the Division.

## AERONAUTICS DIVISION

## ADMINISTRATION

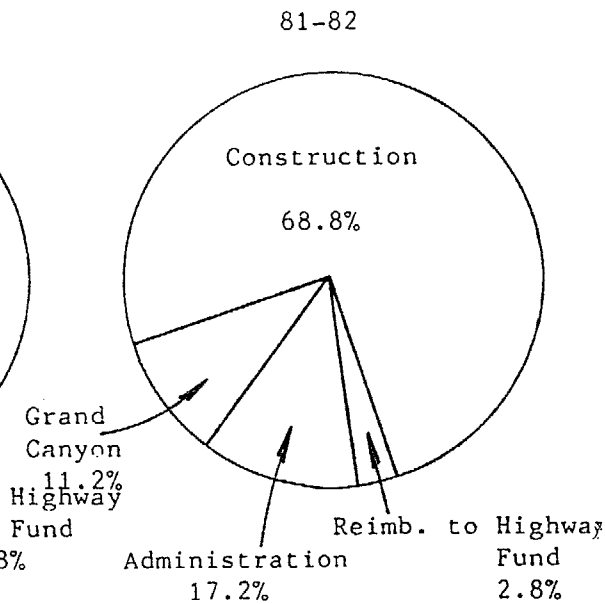
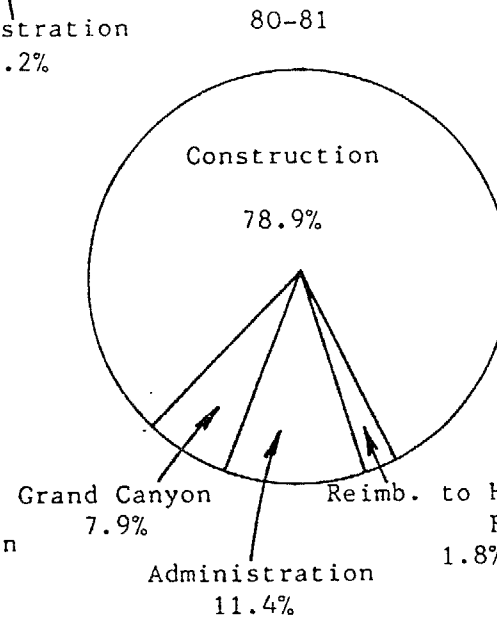
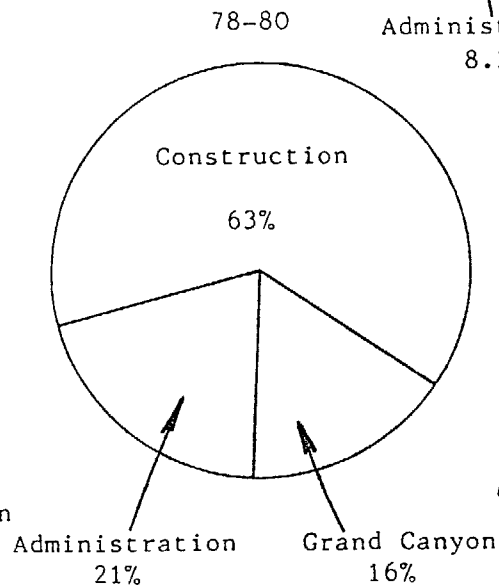
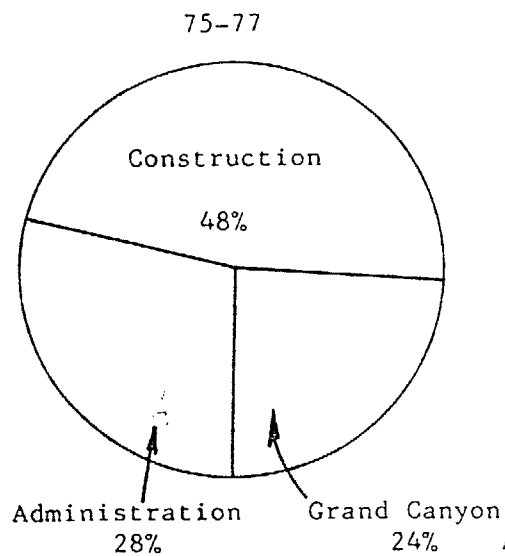
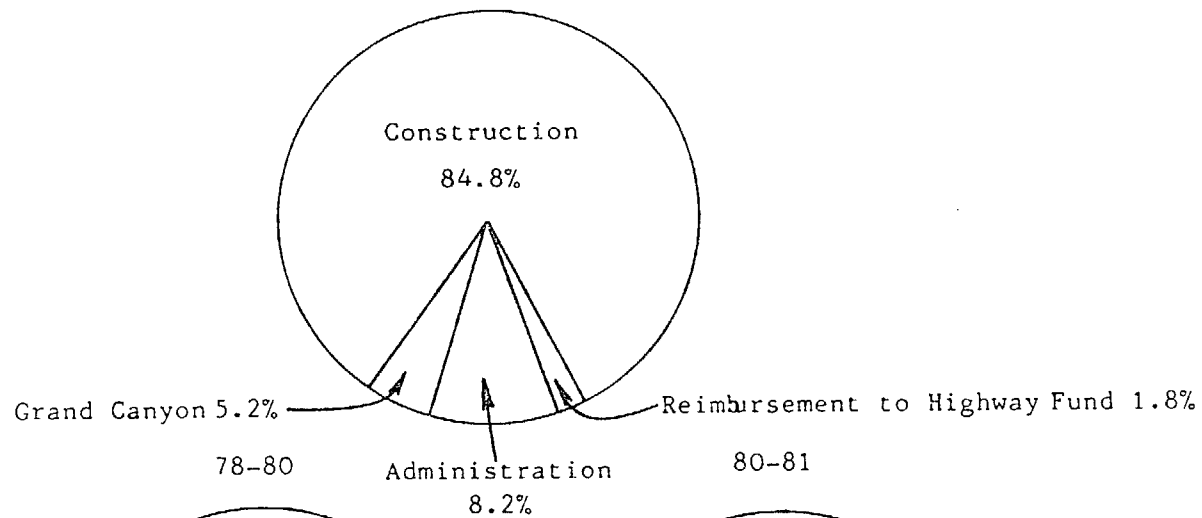
## REVENUE AND EXPENDITURES

1976 - 1982

	1976 - 1977	1977 - 1978	1978 - 1979	1979 - 1980	1980 - 1981	1981 - 1982
Revenue:						
Aviation Fuel Tax	259,000	280,000	334,000	316,000	441,000	380,600
Aircraft Lieu Tax	708,000	935,000	1,268,000	1,614,000	1,858,000	1,898,600
Aircraft Reg. Fee	38,000	34,000	35,000	46,000	48,000	47,200
Misc & Investments	<u>41,000</u>	<u>193,000</u>	<u>217,000</u>	<u>375,000</u>	<u>479,000</u>	<u>380,000</u>
TOTAL	\$1,046,000	\$1,442,000	\$1,854,000	\$2,351,000	\$2,826,000	\$2,706,400
Percent of Increase	27.3%	37.8%	28.6%	26.8%	20.2%	(4.2%)
Expenditures:						
FTE	9	10	10	11	12	12
Personal Services	106,800	140,000	148,800	153,500	232,400	269,200
ERE	18,700	26,200	28,100	29,100	45,800	48,800
Prof & Outside	3,500	14,800	32,400	29,100	32,300	25,000
Travel-in-State	8,000	8,300	9,100	10,800	12,100	8,800
Travel-out-State	1,200	2,500	6,200	7,780	5,200	6,200
COE	29,700	34,600	54,650	43,470	57,500	43,700
Capital	1,100	0	700	150		
Reimbursement to Highway Fund	<u>0</u>	<u>35,000</u>	<u>20,000</u>	<u>20,000</u>	<u>64,500</u>	<u>69,000</u>
TOTAL	\$ 169,000	\$ 262,000	\$ 299,950	\$ 293,000	\$ 450,000	\$ 470,700
Percent of Increase	14.2%	55.5%	14.4%	1.5%	53.5%	4.6%
Airport Development	205,000	514,000	443,000	1,617,000	2,731,000	1,639,000
Miscellaneous	9,000	4,000	2,000	0	16,000	11,000
Total Expenditures	383,000	780,000	1,910,900	3,197,000	2,120,700	
Net Income (Loss)	<u>\$ 663,000</u>	<u>\$ 662,000</u>	<u>\$1,100,550</u>	<u>\$ 440,100</u>	<u>\$ (371,000)</u>	<u>585,700</u>

ADOT - Aeronautics Division

State Aviation Fund Dollar Allocation  
1982-83 (Projected)



HISTORICAL  
AVIATION FUEL TAX DATA

<u>Fiscal Years</u>	<u>Gallons of Fuel</u>	<u>1¢/gal. Aviation Fuel Tax</u>	<u>Unclaimed/Unrefunded Aviation Fuel Tax</u>	<u>Total Revenue from gas taxes</u>
66-67	5,766,744		106,791	106,791
67-68	5,828,129		107,935	107,935
68-69	5,798,436		102,283	102,283
69-70	5,331,384	34,528	105,996	140,524
70-71	5,818,298	59,367	110,462	169,829
71-72	6,144,510	60,307	107,932	168,239
72-73	5,885,395	59,395	126,475	186,870
73-74	6,444,930	64,207	130,815	195,022
74-75	6,871,623	69,781	143,084	212,865
75-76	7,075,481	68,343	174,982	243,325
76-77	9,577,534	72,506	186,152	258,658
77-78	9,541,147	69,926	213,890	283,816
78-79	8,159,000	85,159	254,113	339,273
79-80	9,054,499	90,545	252,089	342,634
80-81	12,453,322	124,533	324,023	448,556
81-82	11,228,545	112,285	268,315	380,600

Sources: Aeronautics Division, Arizona Department of Transportation

## GRAND CANYON NATIONAL PARK AIRPORT

The Aeronautics Division is responsible for the maintenance, operation and improvements of the only state-owned airport. Located seven miles from the south rim, the airport was originally constructed with funds provided from the Department of Interior, the Federal Aviation Administration and the State of Arizona.

Today, it is the third busiest air carrier airport in the state following Phoenix Sky Harbor and Tucson International. The airport is served by Republic Airlines and over 70 air-taxi and commuter carriers. Annual aircraft operations increased 6% during the year to 101,847, and the total number of passengers for 1982 is estimated to be 589,497.

The airport is operated by an airport manager, a building maintenance supervisor and a supporting staff of seven employees. They are responsible for keeping the airport and all its facilities operational 24 hours a day throughout the year.

An administrative rulemaking procedure was promulgated to establish new rates and fees for airport users. Financially, in terms of operational expenses, the airport is firmly operating in the black. Revenue figures indicate the airport made \$390,000 during the fiscal year 1981-82. Construction was completed on the terminal facility which doubled the size of the building and increased auto parking. A snow removal equipment building was also completed which will double as a maintenance facility.

COMPARISON OF AIRPORT STAFFING TO PASSENGER AND AIRCRAFT OPERATION VOLUMES  
AT PHOENIX, TUCSON AND THE GRAND CANYON AIRPORTS  
ON A FISCAL YEAR BASIS

						Ratio of Employees to Current	
						Total Passengers	Operations
PHOENIX - SKY HARBOR	<u>FY 79 - 80</u>	<u>FY 80 - 81</u>	<u>FY 81 - 82</u>	<u>Employees</u>			
Total Passengers	6,849,175	6,530,889	7,067,662			20,193 to 1	
Total Operations	400,945	359,612	349,663	350 + police and other support			999 to 1
FY - City thru June 30, 1982							
<hr/>							
<u>TUCSON</u>	<u>FY 79 - 80*</u>	<u>FY 80 - 81*</u>	<u>FY 81 - 82*</u>	<u>Employees</u>			
Total Passengers	1,861,976	1,720,979	1,707,176			11,855 to 1	
Total Operations	304,869	284,534	249,645	144 + part time			1,733 to 1
FY - Tucson thru Sept. 30, 1981 *ADJUSTED - thru June 30, 1982							
<hr/>							
<u>GRAND CANYON AIRPORT</u>	<u>FY 79 - 80</u>	<u>FY 80 - 81</u>	<u>FY 81 - 82</u>	<u>Employees</u>			
Total Passengers	519,966	539,611	549,974			61,108 to 1	
Total Operations	96,290	99,928	101,847	9			11,316 to 1
FY-State, thru June 30, 1982							

Re: Table on the Grand Canyon Airport

The estimated number of total passengers at the airport is shown in this table. The number has been estimated from the number of operations on an annual basis. The average type aircraft operating at the airport is a 10 passenger aircraft of the Cessna 414 category. Total passengers are defined as passengers getting on and off of aircraft at the airport. An operation is defined as a take-off or a landing.



ADOT - AERONAUTICS DIVISION

GRAND CANYON OPERATIONS W200

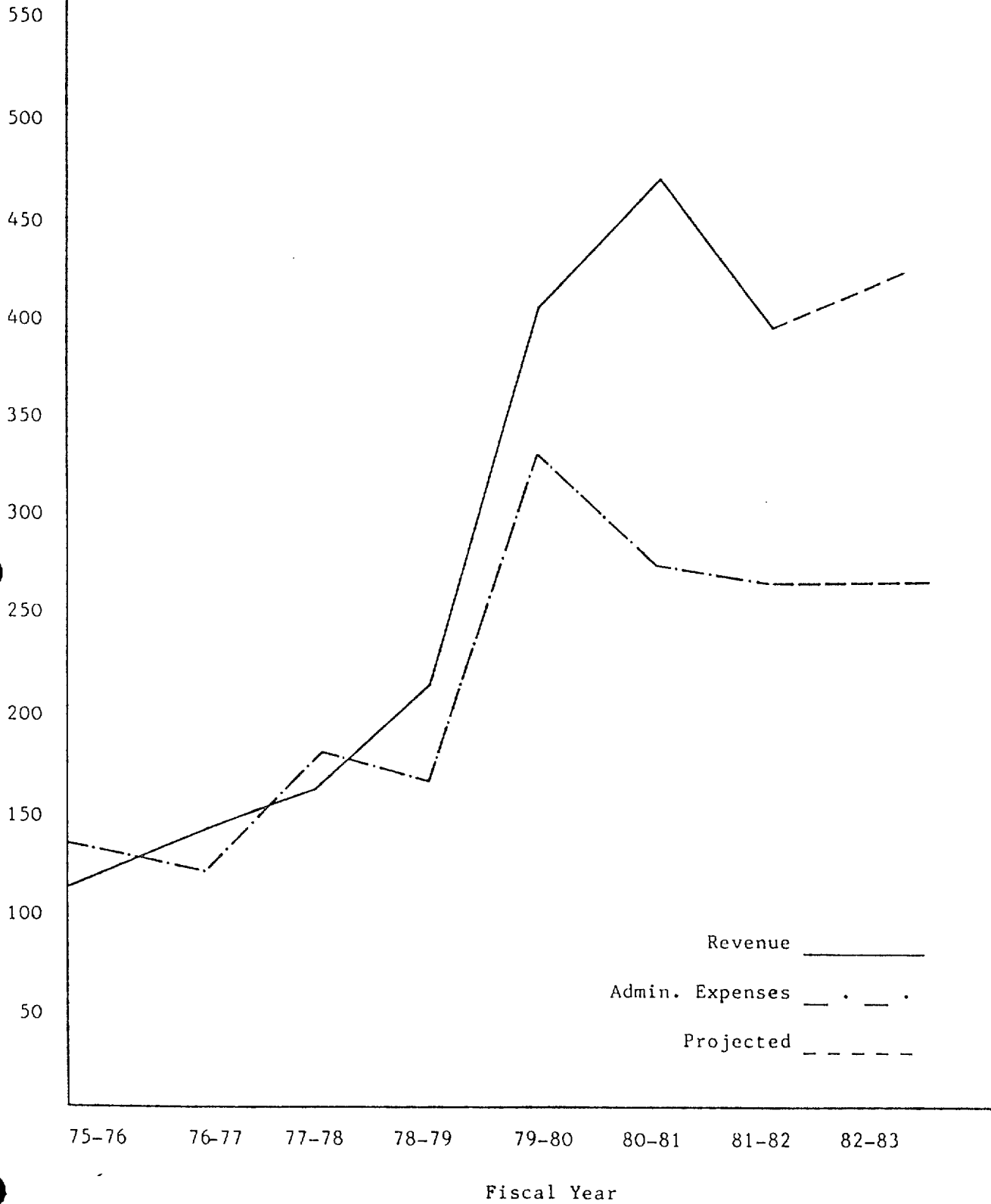


Figure #6

## HISTORICAL

## GRAND CANYON AIRPORT

## REVENUE AND EXPENDITURES

## AIRCRAFT OPERATIONS AND PASSENGERS ENPLANED

	<u>1976 - 1977</u>	<u>1977 - 1978</u>	<u>1978 - 1979</u>	<u>1979 - 1980</u>	<u>1980 - 1981</u>	<u>1981 - 1982</u>
Revenue	\$139,000	\$152,000	\$213,000	\$404,000	\$476,800	\$390,000
Percent of Increase (Revenue)	23.0%	9.3%	40.1%	89.7%	18.1%	(18.2%)
Expenditures:						
FTE	5	6	6	6	9	9
Personal Services	58,407	66,111	73,570	95,840	120,300	120,400
ERE	12,561	16,105	19,040	21,860	28,000	22,890
Prof. & Outside	13,800	13,800	14,800	15,640	15,600	8,590
Travel-In-State	900	900	900	500	600	200
Travel-Out-State	375	375	200	1,635	2,600	1,000
OOE	38,050	41,620	50,250	55,195	106,200	116,320
Capital	<u>0</u>	<u>30,850</u>	<u>1,700</u>	<u>135,350</u>	<u>2,400</u>	<u>0</u>
Total Expenditure	\$124,093	\$169,761	\$160,460	\$326,020	\$275,700	\$269,400
Percent of Increase (Expense)	9.1%	36.8%	(5.4%)	103.2%	15.4%	(2.3%)
Net Income (Loss)	<u>\$ 14,907</u>	<u>17,761</u>	<u>\$ 52,840</u>	<u>\$ 77,980</u>	<u>\$179,800</u>	<u>\$120,600</u>
Grand Canyon Airport Annual Aircraft Operations	46,010	49,803	66,420	96,290	100,354	101,847
Percent of Increase		8.2%	33.3%	44.9%	4.2%	1.5%
Estimated Annual Passengers Enplaned	230,045	249,015	332,100	481,450	501,770	509,235
Percent of Increase		8.2%	33.3%	44.7%	4.2%	1.5%

## Aviation Field Representative

This section is responsible for the dissemination of aviation information, air safety, aerospace education and assisting in air service analysis. The position also includes attendance at aviation function safety seminars, membership in the Aviation Safety Advisory Group and coordination with the Civil Air Patrol.

The Aviation Field Representative edits and arranges for publication of the newsletter, "Aviation" as well as arranges for the printing of the aeronautical chart, Arizona Airport Directory and other aviation related information.

Additional activities include: research and writing for special proposals, responses and reports as needed in areas of expertise. The State and Regional Defense Airlift Program is maintained and updated on a regular basis by this section.

Efforts during the 1981-82 year were concentrated on legislation, Governors Aviation Futures Task Force, helicopters, heliports, air service and Arizona Aviation Week. Additionally, the Aeronautics Division sponsored a safety seminar in Phoenix, Tucson and Prescott and will continue this activity on a quarterly basis. A greater emphasis will be placed on special projects, safety and aerospace education.

Aeronautical chart publication for 1982 corresponded with the publication of the Arizona Airport Directory. Both publication have been well received by the flying community as a valuable flying tool and are being updated for the 82-83 editions.

## PUBLICATIONS

### Aviation

"Aviation" is the official publication of the Arizona Department of Transportation, Aeronautics Division and is distributed monthly to Arizona aircraft owners, aviation organizations, in-state news media, federal and state agencies, aviation publications and airline representatives.

The purpose of the publication is to disseminate information on safety, airport development projects, news and activities from the local aviation organizations as well as national news affecting aviation.

### Arizona Aeronautical Chart

The Arizona Aeronautical Chart is published annually and distributed through commercial flight operators and airport sponsors. The chart is for aerial navigation and flight planning by providing complete coverage of Arizona, Phoenix and other information relevant to flying around the state.

### Progress Report

The annual report is a composite of the activities of the Aeronautics Division over the preceding fiscal year.

### Accident-Incident Review

In cooperation with Accident Prevention Program, the Aeronautics Division publishes a quarterly review on all aircraft accidents and incidents occurring within the previous three months. The four page bulletin is distributed to all Arizona pilots.

### Arizona Airport Directory

The Arizona Airport Directory includes all public use airports within the state. Airport layouts are shown by aerial photographs with annotated runway headings, lengths and obstructions, services, hazards and other information relevant to the safe operation around and on the airport is listed to the right of each picture.

## CIVIL AIR PATROL

The Aeronautics Division is responsible for the administration of an annual general fund appropriation of \$55,000 to the CAP to aid in search and rescue missions carried out in conjunction with the Emergency Services Division.

During the past three years, the Civil Air Patrol conducted the following activities.

	<u>1978-79</u>	<u>1979-80</u>	<u>1980-81</u>	<u>1981-82</u>
Missions	38	30	36	32
Sorties	425	443	150	416
Finds	12	13	13	14
Hours Flown	998	1,098	286	842
Number of Aircraft	11	15	15	14

## AIR SERVICE

The Air Service section is responsible for the orderly development of the air transportation system serving the state. This section assists both communities and airlines in air service matters which are of a regional or statewide significance. It coordinates the development and makes policy recommendations concerning the state's position in relation to air service legislation, administrative rulemaking and legal proceeding before the Civil Aeronautics Board (CAB), the Department of Transportation (DOT), or Congress. The Air Service section works with other state agencies to ensure common directions are taken in the promotion and improvement of air service.

### Civil Aeronautics Board Activities:

Since 1978, there have been dramatic changes brought about as a result of the Airline Deregulation Act. Prior to its enactment, ADOT was active in both domestic and international route awards, along with the Federal Certification proceedings of Cochise and Skywest Airlines, a legal process which took more than three years.

Since that time, the section has primarily been concerned with the Essential Air Service (EAS) guarantees to small communities provision of the Airline Deregulation Act. The eight communities of Flagstaff, Grand Canyon, Kingman, Page, Prescott, Winslow, Douglas and Yuma were assisted in seeking Essential Air Service (EAS) determinations from the CAB. During fiscal year 1981-82, seven points were reexamined for service level adjustments while Douglas was denied eligibility into the program.

The state continued to assist Kingman and Prescott in their attempt to increase service levels through the appeal process, being awarded reconsideration rights in May of 1982. Cochise Airlines also filed notice to terminate service at these two points in March of 1981, and after a lengthy carrier selection process Golden Pacific Airlines was awarded the EAS responsibility in April 82. The CAB has noted service level adjustments will only be permitted six months after the new carrier has implemented service at the points.

In other carrier selection cases affecting Arizona, the state sought prompt CAB carrier selection at Winslow, when Cochise filed for bankruptcy in June of 1982. The state also analyzed passenger demand at Page for developing a position in the carrier selection case in progress. Three out of state communities were also monitored during similar selection processes. They include Blythe, California; Gallup, New Mexico; and Moab, Utah. All points lie within the immediate boundary areas of Arizona.

ADOT was also a party to the CAB cases where Cochise and Skywest Airlines sought to acquire financial reimbursement for losses incurred while providing EAS guarantees at Prescott, Kingman, Winslow, Blythe, Page, and Cedar City.

The Air Service section also completed an indepth analysis of a CAB Notice of Proposed Rulemaking on joint fares between Arizona communities and numerous long haul destinations throughout the country. It became the basis for formulating comments which were filed with the CAB in September of 1981. Other comments filed included the state's position on the filing of airline suspension and termination notices which might affect a community.

The state also monitored Skywest Airlines' request to add 23 new points to its operating certificate. Arizona points included Lake Havasu City and Yuma. The importance of the carrier's action would be in the event of some unforeseen regulatory need.

Other major air service projects during the year included the completion of a statewide commuter air service feasibility study which identifies potential markets that may or may not be included in the CAB's federal program. Studies were distributed to the industry.